

August 27, 1997

Mr. Michael Sewell
Air Quality Engineer
Monterey Bay Unified Air
Pollution Control District
24580 Silver Cloud Court
Monterey, CA 93940

Dear Mr. Sewell,

Thank you for the opportunity to review the proposed Title V permit for the Pacific Gas and Electric power plant at Moss Landing. The permit conditions, periodic monitoring, record keeping and reporting requirements are thorough and will, for the most part, assure compliance with all applicable requirements. Where applicable requirements are subsumed by requirements that are more strict, or where testing is not necessary to ensure compliance due to physical or operational parameters that assure compliance, the engineering evaluation clearly demonstrates this.

As promised, attached are EPA's comments on the proposed permit. Please note that there is a separate page containing comments that specifically address the Title IV (acid rain provisions) portion of the permit.

Please do not hesitate to call me or Paul Carroll of my staff at (415) 744-1148 if you have any questions.

Sincerely,

Matt Haber
Chief, Permits Office
Air Division
U.S. EPA, Region 9

PG&E Moss Landing Comments

1. Conditions 8 and 38 provide for the requirements of Rule 412, sulfur content of fuel oil. Though state law requirements restrict sulfur content of most fuels, it is not comprehensive and it is possible that diesel fuels with higher than 0.5% sulfur could be acquired. Thus, it is appropriate to provide for this limit and an associated monitoring/record keeping requirement. However, a manufacturer's certification of sulfur content of diesel fuel purchased by the source is sufficient to ensure compliance with this condition (8).

2. Condition 13 requires that the source limit VOC emissions by complying with Rule 426, the architectural coatings rule. No record keeping is associated with this condition. Although EPA recognizes that the rule is primarily a manufacturing and sale restriction, the source shares responsibility in ensuring that it purchases and uses products that comply with the rule. Therefore, the permit should contain a provision for recording architectural coatings bought and applied. Although California has a state law which assures compliance with the rule, coatings may be purchased from other states. Thus, we suggest the following language:

PG&E will keep records of all architectural coatings purchased that are not clearly labelled as complying with the VOC content limits contained in Rule 426. Compliance in these cases can be assured by maintaining records of manufacturer's certifications or by Material Data Safety Sheets (MSDS) that demonstrate compliance with the VOC limits of Rule 426.

3. Condition 23 provides for the emissions limit of ammonia based on Rule 431. However, the monthly source test required by the rule to ensure compliance is not included in the permit. EPA recognizes that this limit is directed at controlling "ammonia slip" from selective catalytic reduction (SCR) emissions controls, and that the source has not yet installed such a system. It would be preferable, however, for the District to include the monthly source test requirement now rather than have to modify the permit later. EPA suggests the following:

At such time when the source installs and begins operating a catalytic emissions reduction device that utilizes ammonia, monthly source tests of the ammonia emissions shall be performed. The tests will be conducted in accordance with EPA Method 350.3, "Ion Specific Electrode" and Bay Area Air Quality Management District (BAAQMD) Source Test Procedure ST-1B, "Ammonia, Integrated Sampling." Results of the tests will be submitted to the District monthly, or less frequently if deemed appropriate by the Air Pollution Control Officer. [Rule 431]

4. Condition 37: Typographical error. Should read "...limits contained in condition 24..." not condition 23.

Moss Landing Draft Permit Comments

Acid Rain Division

Phase II NO_x Requirements:

Since none of California's units burn coal, the NO_x placeholder in the unit section of the sample acid rain permit can be deleted from the APCD's Phase II acid rain permits. The sample permit was written with a coal-burning utility in mind.

Statement of Basis:

Monterey Bay APCD fails to cite the legal and/or regulatory authority that they possess (i.e., cites to their operating permit rule, acid rain permit rule, etc.) to issue a permit that is binding on the source.

SO₂ Allowances:

As an option, the Moss Landing permit could include a "unit" section in which it denotes the allowances allocated to units 6-1 and 7-1 by U.S. EPA for the years in which the permit is effective (see sample acid rain permit section 2).